

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2880 – HB 3145

March 5, 2012

SUMMARY OF AMENDMENT (013920): Removes county eligibility to receive state-shared fuel taxes from the Department of Revenue (DOR) and grant funds from the Tennessee Department of Transportation (TDOT) if the chief administrative officer of the county highway department is fully or partially exempt from the qualifications set forth in Tenn. Code Ann. § 54-7-104 (b). Funds withheld from ineligible counties will be reallocated to eligible counties. This bill as amended will only apply to counties in which the exemption from the minimum qualifications is effective on or after January 1, 2013.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – There will be a shift in grant funds and state-shared fuel tax revenue from the 16 counties deemed ineligible to the remaining 79 eligible counties. The net fiscal impact to local government will be not significant.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions applied to amendment:

- Currently there are 16 counties that are fully or partially exempt from Tenn. Code Ann. § 54-7-104 (b).
- All of these 16 county exemptions were in place prior to January 1, 2013, and will not be subject to the provisions of this legislation.
- If a county subsequently elected to be exempt from the minimum qualification requirements, they would be ineligible to receive state-shared fuel taxes and future grant funds from TDOT.
- It is assumed no future counties will elect to be exempt in order to remain eligible for state-shared fuel taxes and grant funds from TDOT.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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